

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS

BASIC FINANCIAL STATEMENTS
WITH
SUPPLEMENTAL INFORMATION
SCHEDULES

AS OF AND FOR THE
YEAR ENDED JUNE 30, 2013

**LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
BASIC FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013**

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BASIC FINANCIAL STATEMENTS

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SOCIETY OF
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INDEPENDENT AUDITORS' REPORT

August 30, 2013

Board Members of the
Louisiana State Board of Architectural Examiners
9625 Fenway Avenue, Suite B
Baton Rouge, Louisiana 70809

Report on Financial Statements

I have audited the accompanying financial statements of the business-type activities of the Louisiana State Board of Architectural Examiners, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's

preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Louisiana State Board of Architectural Examiners as of June 30, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements is required by the Governmental Accounting Standards Board, who consider it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Louisiana State Board of Architectural Examiners' basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental information, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of

America. In my opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole..

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, I have also issued my report dated August 30, 2013, on my consideration of the Louisiana State Board of Architectural Examiners' internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Stephen Yost LLC

REQUIRED SUPPLEMENTAL INFORMATION
(PART 1 OF 2)

**LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

The purpose of this section is to offer a narrative overview and analysis of the Louisiana State Board of Architectural Examiners' (hereafter referred to as the Board) financial performance during the year ended June 30, 2013. This document focuses on the current year activities, resulting changes and currently known facts. It should be read in conjunction with the financial report taken as a whole.

Highlights of the Board as a Whole

- The Board's assets exceeded its liabilities by \$796,216 at June 30, 2013
- Revenues exceeded expenses by \$2,481 for the year ended June 30, 2013
- Staff and board members continue to represent Louisiana on several national boards

Overview of the Financial Statement Presentation

These financial statements are comprised of these components -- (1) management's discussion and analysis, (2) basic financial statements, (3) notes to the financial statements and (4) required supplemental information. There is also other supplemental schedules and information contained in this report provided for additional information.

Basic Financial Statements. The basic financial statements present information for the Board as a whole. Statements in this section include the following:

Statement of Net Assets. This statement presents information on all of the Board's assets and liabilities with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Board is improving or not.

Statement of Revenues, Expenses and Changes in Fund Net Assets. This statement presents information showing how the Board's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement is designed to show the Board's financial reliance on general revenues.

Statement of Cash Flows. The change in cash as a result of current year operations is depicted in this statement. The cash flow statement includes a reconciliation of operating income (loss) to the net cash provided by or used for operating activities as required by GASB No. 34.

The basic financial statements can be found on pages 12-15 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

Required Supplemental Information. As a component unit of the State of Louisiana, the Board complies with the reporting requirements of the Division of Administration, Office of Statewide Reporting and Accounting. Included as other required supplemental information is the Louisiana Comprehensive Annual Financial Report completed with information relative to the Board.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain other information that is deemed useful to readers of this report.

Financial Analysis of the Board

Net assets are an indicator of the Board's financial position front year to year. A summary of net assets follows.

SUMMARY OF NET ASSETS

	2013	2012
Assets		
Current assets	\$ 592,247.21	\$ 567,673.32
Non-current assets	<u>313,322.14</u>	<u>321,336.39</u>
Total Assets	905,569.35	889,009.71
Liabilities		
Current liabilities	3,076.00	4,814.43
Non-current liabilities	<u>106,276.95</u>	90,459.04
Total Liabilities	<u>109,352.95</u>	<u>95,273.47</u>
Net Assets		
Invested in general fixed assets, net of related debt	23,598.49	31,925.04
Unrestricted	<u>772,617.91</u>	<u>761,811.20</u>
Total Net Assets	<u>796,216.40</u>	<u>793,736.24</u>

Net assets of the Board increased by \$2,480 between June 30, 2012 and June 30, 2013.

**LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

A summary of changes in net assets is as follows:

SUMMARY OF CHANGES IN NET ASSETS

	<u>2013</u>	<u>2012</u>
Operating Revenues	\$ 493,095.00	\$ 486,674.95
Operating Expenses	<u>(491,429.08)</u>	<u>(479,316.30)</u>
	1,665.92	7,358.65
Operating Income		
Non-operating Revenues (Expenses)	<u>814.24</u>	<u>3,261.02</u>
Change in Net Assets	<u>2,480.16</u>	<u>10,619.67</u>

Operating revenues increased by \$6,420 or 1.3% while non-operating revenues decreased by \$2,446.78 or more than 75%. Expenses increased by \$12,113 or 2.5% over the prior year's expenses.

Cash flow activity of the Board for the past two years is as follows:

STATEMENT OF CASH FLOWS

	<u>2013</u>	<u>2012</u>
Cash and cash equivalents provided by (used for):		
Operating activities	\$ 23,759.65	\$ 25,908.89
Non-capital financing activities	.00	.00
Capital and related financing activities	.00	.010
Investing activities	<u>814.24</u>	<u>470.29</u>
Net Increase in Cash and Cash Equivalents	24,573.89	26,379.18
Cash and cash equivalents, beginning of year	<u>567,673.32</u>	<u>541,294.14</u>
Cash and cash equivalents, end of year	<u>592,247.21</u>	<u>567,673.32</u>

**LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

Budgetary Highlights

The original and final budgets are presented in the accompanying required supplemental information. Operating revenues were more than anticipated by \$6,395 or 1%. Expenses were \$108,222 or 18% less than anticipated. Expenses are always held below that which is actually received. Overall, the change in net assets was a positive difference of \$2,480.

Capital Asset and Debt Administration

Capital Assets: The Board's investment in capital assets, net of accumulated depreciation, at June 30, 2013 and 2012, was \$23,598 and \$31,925, respectively. Additions in the current include *computers* and related *equipment*. All *assets* were *properly recorded* with the State of Louisiana and a detailed list is maintained.

Capital assets at year-end are summarized as follows:

CAPITAL ASSETS Net of Accumulated Depreciation Business-Type Activities		
	<u>2013</u>	<u>2012</u>
Depreciable Assets		
Furniture/equipment	<u>\$ 48,194.74</u>	<u>\$48,194.74</u>

Debt Administration: Long-term debt of the Board includes compensated absences at amounts of \$15,588 and \$13,271 at June 30, 2013 and 2012, respectively. There is also an estimated balance of \$90,688 for post-employment health and life insurance benefits, up from \$77,188 in the prior year.

Economic Environment and Next Year's Budget

The Board plans to continue its awards and intern development program. Increased renewals online continues to be a goal of the Board.

Request for Information

This financial report is designed to provide a general overview of the Board's finances, comply with finance-related laws and regulations and demonstrate the Board's commitment to public accountability. Any questions or requests for additional information can be obtained by contacting Ms. Mary "Teeny" Simmons, Executive Director, at 9625 Fenway Avenue, Suite B, Baton Rouge, Louisiana 70809, 225-925-4802.

FUND FINANCIAL STATEMENTS

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
STATEMENT OF NET ASSETS
JUNE 30, 2013

	<u>Business-type Activities</u>
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 592,247.21
Non-Current Assets	
Investments	289,723.65
Capital assets, net of accumulated depreciation	<u>23,598.49</u>
Total Non-Current Assets/Total Assets	905,569.35
LIABILITIES	
Current Liabilities	
Payroll withholdings and related payables	3,076.00
Accrued salaries	
Total Current Liabilities	3,076.00
Non-Current Liabilities	
Compensated absences payable	15,588.53
Other post-employment benefits plan payable	<u>90,688.42</u>
Total Non-Current Liabilities	106,276.95
Total Liabilities	109,352.95
NET ASSETS	
Invested in general fixed assets, net of related debt	23,598.49
Unrestricted, undesignated	<u>772,617.91</u>
Total Net Assets	796,216.40

See Accompanying Notes and Auditors' Report

**LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET ASSETS
YEAR ENDED JUNE 30, 2013**

	Business-type Activities
OPERATING REVENUES	
Licenses and other fees	<u>\$ 493,095.00</u>
Total Operating Revenues	493,095.00
OPERATING EXPENSES	
Salaries and related benefits	222,532.29
Meetings, conferences and travel	49,340.27
Professional services	70,382.80
General and administrative	149,173.72
Depreciation	<u>8,326.55</u>
Total Operating Expenses	<u>491,429.08</u>
Operating Income	1,665.92
NON-OPERATING REVENUES (EXPENSES)	
Interest income	<u>814.24</u>
Net Non-Operating Revenues (Expenses)	<u>814.24</u>
Change in Net Assets	2,480.16
Total Net Assets, beginning	793,736.24
Total Net Assets, ending	<u>796,216.40</u>

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS

STATE OF LOUISIANA

STATEMENT OF CASH FLOWS

YEAR END JUNE 30, 2013

	<u>Business- type</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 493,095.00
Cash paid to suppliers for goods/services	(251,884.67)
Cash paid to employees for services	(217,138.38)
Net Cash Provided by Operating Activities	<u>24,071.95</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	<u>501.94</u>
Net Cash Provided by Investing Activities	<u>501.94</u>
Net Increase in Cash and Cash Equivalents	24,573.89
Cash and Cash Equivalents, beginning of year	<u>567,673.32</u>
Cash and Cash Equivalents, end of year	<u><u>592,247.21</u></u>

See Accompanying Notes and Auditors' Report

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
STATEMENT OF CASH FLOWS (Continued)
YEAR END JUNE 30, 2013

	<u>Business-Type Activities</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ 1,665.92
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	8,326.55
Increase (decrease) in liabilities:	
Payroll liabilities	(1,738.43)
Compensated absences payable	2,317.91
Other post-employment benefits plan payable	13,500.00
Net Cash Provided by Operating Activities	<u>24,071.95</u>

See Accompanying Notes and Auditors' Report

NOTES TO FINANCIAL STATEMENTS

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

INTRODUCTION

The Louisiana State Board of Architectural Examiners is a component unit of the State of Louisiana. It was created within the Office of the Governor as provided by Louisiana Revised Statute 37:142. The Board serves as a statewide authority to license and regulate the practice of architecture in the State of Louisiana.

The Board is composed of 7 members that are appointed by the Governor of the State of Louisiana and serve six-year terms. Five of the members must be licensed architects that have practiced architecture for at least 7 years. One of the members must be an architect employed for at least seven years prior to his/her appointment in architectural education or as an administrator of building design, construction or design standards for government at the local, state or national level. The remaining board member is one that is not actively engaged in or retired from the professions of architecture, engineering, interior design, landscape architecture or the design/construction of buildings. Board members, as authorized by Louisiana Administrative Code 46:317(C), may receive a per diem of \$138 per day in addition to actual expense reimbursement to attend meetings or conduct board-approved business.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting practice of the Louisiana State Board of Architectural Examiners conforms to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513 and to the guides set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies:

Financial Reporting Entity: Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the Board is considered a component unit of the State of Louisiana because the State exercises oversight responsibility in that the Governor appoints the board members and public service is rendered within the State's boundaries. The accompanying financial statements present only the transactions of the Louisiana State Board of Architectural Examiners.

Fund Accounting: The Board uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate entity with a self-balancing set of accounts. Funds of the Board are classified under one category: proprietary. This category, in turn, is further divided into separate fund types. The fund classifications and a description of each existing fund type follow:

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

Proprietary Funds – account for activities that are similar to activities found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds of the Board include the following fund types:

- I. Enterprise – account for operations (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Basis of Accounting/Measurement Focus: In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles and are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy.

Basis of accounting refers to when revenues and expenses are recognized and reported and relates to the time of the measurement, regardless of the measurement focus applied. The fund financial statements of the Board are reported using an economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of business-type activities are included in the statement of net assets. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred. In these statements, capital assets are reported and depreciated in each fund, and long-term debt is reported.

Application of FASB Statements and Interpretations: Reporting on governmental-type and business-type activities is based on FASB Statements and Interpretations issued after November 30, 1989, except where they conflict or contradict GASB pronouncements.

Operating/Non-Operating Revenues: Proprietary funds separately report operating and non-operating revenues. Revenues from transactions of the Board's licensing activities are considered operating revenues. All other revenues, which are reported as cash flows from capital or non-capital financing and investing, are reported as non-operating revenues.

Budgets and Budgetary Accounting: Subject to the Louisiana Licensing Agency Budget Act established by Louisiana Revised Statutes 39:1331-1342, the Board adopts an annual budget prepared in accordance with the basis of accounting utilized by that fund. The Board must approve any revisions that alter the total expenditures. Although budget amounts lapse at year-end, the Board retains its unexpended net assets to fund expenditures of the succeeding year.

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

Cash and Cash Equivalents: Cash and cash equivalents include amounts in demand deposits and certificates of deposit. Under state law, the Board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less are considered to be cash equivalents.

Investments: Investments are limited by Louisiana Revised Statute 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments. Otherwise, the investments are classified as cash and cash equivalents. In accordance with GASB Statement No. 31, investments are recorded at fair value with the corresponding increase or decrease reported in investment earnings.

Inventory: Inventory of the Board includes only office supplies and printed materials, the amount of which is considered immaterial. Therefore, the acquisition of these items is expensed when purchased, and the inventory on hand at year-end is not reported in the accompanying financial statements.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Capital Assets: The Board's assets are recorded at historical cost. Depreciation is recorded using the straight-line method over the useful lives of the assets. Generally, the Board includes all capital acquisitions with a cost of \$5,000 in its fixed asset inventory. However, certain items at a cost below that amount may be capitalized if benefits of the item will extend beyond one year and/or the Board wants to monitor the item.

Compensated Absences: Employees of the Board had accumulated and vested \$15,588.53 in employee leave benefits as of June 30, 2013. This total was computed in accordance with GASB Codification Section C60.150.

Net Assets: In the statements of net assets, the difference between a government's assets and liabilities is recorded as net assets. The three components of net assets are as follows:

Invested in Capital Assets, Net of Related Debt

This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction or improvement of capital assets.

Restricted Net Assets

Net assets reserved by external sources such as banks or by law are reported separately as restricted net assets. When assets are required to be retained in perpetuity, the non-expendable net assets are recorded separately from expendable net assets. These are components of restricted net assets.

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

Unrestricted Net Assets

This category represents net assets not appropriable for expenditures or legally segregated for a specific future use. Restricted resources are exhausted before unrestricted net assets are used.

NOTE 2 – CASH AND CASH EQUIVALENTS

The following is a summary of cash and cash equivalents at June 30, 2013:

	<u>Book Balance</u>	<u>Bank Balance</u>
Interest-bearing demand deposits	<u>\$ 592,247.21</u>	<u>\$ 609,762.20</u>

These deposits are stated at cost, which approximates market. Under state law, they must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding, or custodial bank that is mutually acceptable to both parties.

With the adoption of GASB Statement No. 40, only deposits that are considered exposed to custodial credit risk are required to be disclosed. The Board does not have any deposits that fall within this category. Deposits of the Board are secured with insurance through FDIC and collateral pledged by its agent banks.

NOTE 3 – INVESTMENTS

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured and unregistered, not registered in the name of the entity or are held either by the counter-party or the counter-party's trust department or agent but not in the entity's name. All investments of the Board are certificates of deposit with maturities extending beyond 90 days. They are not subject to custodial credit risk. At June 30, 2013, the Board had three certificates whose reported amount equaled its fair value as follows:

	<u>Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
Regions Bank	7/13/14	.05%	\$ 118,951.50
Chase Bank	8/10/14	.05%	80,320.19
Capital One	6/29/14	.15%	<u>90,463.11</u>
Total			<u>289,734.80</u>

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 4 – LEAVE

Annual and Sick Leave. The Board's employees earn and accumulate annual and sick leave at varying rates depending on their years of full-time service and are credited at the end of each month of regular service. Accumulated leave is carried forward to succeeding years without limitation. Requests for leave must be made to and approved by the Director. Upon termination, employees are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as current year expenditures when leave is earned. Only annual leave is accrued in the accompanying statement of net assets, the amount unpaid at June 30, 2013, being \$15,588.53.

Compensatory Leave. Non-exempt employees, according to the guidelines contained in the Fair Labors Standards Act, may be paid for compensatory leave earned. Upon termination or transfer, an employee is paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. This pay is based on the employee's hourly rate of pay at the time of termination or transfer. There was no compensatory leave time accrued at June 30, 2013.

NOTE 5 – RETIREMENT SYSTEM

Substantially all of the employees of the Board are members of the Louisiana State Employees Retirement System (System), a cost sharing multiple-employer, defined benefit pension plan. The System is a statewide public retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time employees are eligible to participate. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service plus \$300 for employees hired before July 31, 1986. Vested employees are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service or (c) age 60 with 10 years of service. An option of reduced benefits at any age with 20 years of service is available. The System also provides death and disability benefits. Benefits are established or amended by state statute. The System issues an annual financial report that is available to the public including financial statements and required supplementary information of the System. That report may be obtained by contacting the Louisiana State Employees Retirement System, P. O. Box 44213, Baton Rouge, La. 70804-4213, 225-922-0605 or 800-256-3000.

Covered employees are required to contribute 8.0% of gross salary to the plan, and the Board is required to contribute at an actuarially determined rate as required by Louisiana R.S. 11:102. That rate for the year ended June 30, 2013 was 29.1%. Contributions to the System for the years ended June 30, 2013, 2012 and 2011, were \$40,248, \$36,283 and \$31,283, respectively.

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 6 – POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Board may provide certain continuing health care and life insurance benefits for its retired employees through the Louisiana Office of Group Benefits. Substantially all of the Board's employees become eligible for those benefits if they reach normal retirement age while working for the Board and were covered by the Board's active medical plan immediately prior to retirement. Those benefits include joint payment of monthly premiums for the **coverage provided**.

Plan Description. The State of Louisiana's Other Post-Employment Benefit Plan (OPEB Plan) is an agent multiple-employer plan administered by the Louisiana Office of Group Benefits (OGB). There are three plans available to eligible retirees for health care – OGB Preferred Provider Organization (PPO), Humana Health Maintenance Organization (HMO) and United Exclusive Provider Organization (EPO). Participants eligible for Medicare coverage can choose one of two OGB Medicare Advantage Plans, either an HMO or private fee-for-service (PFFS) plan. Life insurance benefits include basic term life, basic plus supplemental term life, dependent term life and employee accidental death and dismemberment coverage. The policy is underwritten by The Prudential Insurance Company of America.

LRS 42:801-883 provides for the authority under which benefit provisions are established and may be amended. The OGB does not issue a stand-alone report; however, it is included in the Louisiana Comprehensive Annual Financial Report (CAFR). The CAFR may be obtained from Office of Statewide Reporting and Accounting Policy's website at www.doa.la.gov/osrap, writing to P. O. Box 94095, Baton Rouge, LA 70804-9095 or by calling 225-342-0708.

Funding Policy. LRS 42:801-883 provides for the authority under which the obligations of the plan members and the system are established and may be amended. For employees hired prior to January 1, 2002, the cost of coverage is shared 25% by the participant and 75% by the Board with the exception of single retirees under age 65. He/she must pay 25% of the active employee cost. Employees hired on or after January 1, 2002, pay a percentage of the total contribution rate based on his/her years of service at retirement (under 10 yrs. – 81%; 10-14 yrs. – 62%; 15-19 yrs. – 44%; 20+ yrs. – 25%). A lifetime maximum for healthcare benefits is set at \$5,000,000 for the PPO, HMO and EPO plans. The retiree must pay 50% of the life insurance premiums for him or herself and 88% for his/her spouse. Maximum coverage is capped at \$50,000.

The plan is currently financed on a pay-as-you-go basis. Employees do not contribute to their postemployment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a service schedule. Contribution amounts vary depending on what healthcare provider is selected from the plan and if the member has Medicare coverage.

**LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

OPEB Cost/Obligation. The Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. A level percentage of payroll amortization method, open period, was used. The total ARC for the year beginning July 1, 2012, is as follows:

The Board's OPEB obligation for the year ended June 30, 2013, is as follows:

Annual required contribution/OPEB Cost	\$ 13,300
Interest on Net OPEB Obligation	3,900
ARC Adjustment	(3,700)
OPEB Cost	<u>13,500</u>
Contributions made	<u>-0-</u>
Change in Net OPEB Obligation	13,500
Net OPEB obligation, beginning	<u>77,188</u>
Net OPEB obligation, ending	<u><u>90,688</u></u>

Utilizing the pay-as-you-go method, the Board contributed 0% of the annual post-employment benefits cost during the current year. Because this is the first year of implementation, information for prior years is not presented.

Funding Status and Funding Progress. As of June 30, 2013, the Board had not made any contributions to its post-employment benefits plan trust. A trust was established during the current year but was not funded although the Board did designate \$310,000 of its retained earnings for future post-employment benefits. Thus, it has no plan assets and a funding ratio of zero. Funding status and progress is summarized below.

Unfunded actuarial accrued liability (UAAL)	\$ 90,688
Covered payroll (active employees)	93,500
UAAL as a percentage of covered payroll	99%

Actuarial Methods/Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial method and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2012 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4% investment rate of return (net of administrative expenses) and initial annual healthcare cost trend rate of 7% and 8.1% for pre-Medicare and Medicare eligible's, respectively, scaling down to ultimate rates of 5% per year. The unfunded actuarial accrued liability is being amortized as a level percentage of payrolls on an open basis.

NOTE 7 – LEASES

Operating Leases. The Board previously executed a lease for office space for a term of five years beginning on August 1, 2002, payable at \$2,672.83 per month or \$32,073.96 annually. The lease includes an additional option term of five years which was exercised in July of 2007. For the year ended June 30, 2013, lease payments of \$35,281 were made.

A copier is being leased from Pitney Bowes and is paid on a month-to-month basis. Payments during the year were \$3,951.

Capital Leases. The Board has no capital leases.

NOTE 8 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital Assets, being depreciated				
Furniture and equipment	\$ 48,194.74	.00 \$.00	\$ 48,194.74
Less: accumulated depreciation	16,270.38	8,325.87	.00	24,596.25
Net Furniture and Equipment/				
Net Capital Assets, being depreciated	<u>31,924.36</u>	<u>8,325.87</u>	<u>.00</u>	<u>23,598.49</u>

**LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 9 – LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2013, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Compensated absences	\$ 13,270.62	\$5,049.16	\$ 2,731.25	\$ 15,588.53	\$ 0.00
Other post- employment benefits plan	<u>77,188.00</u>	<u>13,500.00</u>	<u>.00</u>	<u>90,688.00</u>	<u>.00</u>
Total	<u>90,458.62</u>	<u>18,549.16</u>	<u>2,731.25</u>	<u>106,276.53</u>	<u>.00</u>

NOTE 10 – RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

NOTE 11 – LITIGATION

There is no litigation that would require disclosure in this financial report.

NOTE 12 – SUBSEQUENT EVENTS

There were no events between the close of the year through issuance of this report that would materially impact these financial statements.

REQUIRED SUPPLEMENTAL INFORMATION
(PART 2 OF 2)

**LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>OPERATING REVENUES</u>				
Licenses and other fees	\$ 486,700	\$ 486,700	\$ 493,095	\$ 6,395
<u>OPERATING EXPENSES</u>				
Salaries and related benefits	241,351	241,351	222,532	18,819
Meetings, conferences and	86,500	86,500	49,340	37,160
Professional services	78,200	78,200	70,382	7,818
General and administrative	173,600	173,600	149,174	24,426
Capital outlay	20,000	20,000	0	20,000
Total Operating Expenses	599,651	599,651	491,429	114,618
Operating Income (Loss)	(112,951)	(112,951)	1,666	121,013
<u>NON-OPERATING REVENUES (EXPENSES)</u>				
Interest income	5,000	5,000	814	(4,186)
Change in Net Assets	(107,951)	(107,951)	2,480	116,827
Net Assets, beginning - as restated	710,317	710,317	791,256	
Net Assets, ending	602,366	602,366	793,736	191,370

See Auditors' Report

SUPPLEMENTAL SCHEDULES AND INFORMATION

**LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
JUNE 30, 2013**

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, this schedule of per diem paid to board members is presented for the year ended June 30, 2013.

<u>Name</u>		<u>Amount</u>
Bacque, Allen J.	\$	2,106.00
Blitch, Ronald J.		2,245.00
Brierre, Creed		1,202.00
Brinson, J. David		2,563.00
Cardone, Jr., John		2,116.00
LeBlanc, Richard J.		2,712.00
McKinney, Robert W.		<u>2,106.00</u>
Total		<u>15,050.00</u>

STEPHEN YOST LLC
CERTIFIED PUBLIC ACCOUNTANT
8412 JEFFERSON HIGHWAY
HARAHAN, LOUISIANA 70123

MEMBER:
AMERICAN INSTITUTE
OF CERTIFIED PUBLIC
ACCOUNTANTS

SOCIETY OF
LOUISIANA CERTIFIED
PUBLIC ACCOUNTANTS

OFFICE (504) 733-3100
FAX (504) 733-3132

**REPORT ON COMPLIANCE AND OTHER MATTERS AND
ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

August 30, 2013

Board Members of the
Louisiana State Board of Architectural Examiners
9625 Fenway Avenue, Suite B
Baton Rouge, Louisiana 70809

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Louisiana State Board of Architectural Examiners, a related organization of the State of Louisiana, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Louisiana State Board of Architectural Examiners's basic financial statements, and have issued my report thereon dated August 30, 2013.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Louisiana State Board of Architectural Examiner's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Louisiana State Board of Architectural Examiner's internal control. Accordingly, I do not express an opinion on the effectiveness of the Louisiana State Board of Architectural Examiner's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet is important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Louisiana State Board of Architectural Examiners's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit conducted in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Stephen Yost LLC

**LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2013**

I have audited the financial statements of the Louisiana State Board of Architectural Examiners as of and for the year ended June 30, 2013, and have issued my report thereon dated September 12, 2013. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of June 30, 2013, resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

1. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control	Material Weakness	<input type="checkbox"/>
		No
	Control Deficiency(ies)	No
Compliance		
	Compliance Material to F/S	<input type="checkbox"/>
		No
2. Federal Awards	Control Deficiency(ies)	No

N/A

Section H Financial Statement Findings

N/A

Section HI Federal Award Findings and Questioned Costs

N/A

**LOUISIANA STATE BOARD OF ARCHITECTURAL
EXAMINERS
STATE OF LOUISIANA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED JUNE 30, 2013**

Section 1 Internal Control and Compliance Material to the Financial Statements

N/A

Section II Internal Control and Compliance Material to Federal Awards

N/A

Section III Management Letter

N/A

**LOUISIANA STATE BOARD OF ARCHITECTURAL
EXAMINERS
STATE OF LOUISIANA
MANAGEMENT'S CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2013**

Section I Internal Control and Compliance Material to the Financial Statements

N/A

Section II Internal Control and Compliance Material to Federal Awards

N/A

Section III Management Letter

N/A

OTHER REQUIRED SUPPLEMENTAL INFORMATION

**LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
STATE OF LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
JUNE 30, 2013**

LOUISIANA'S COMPREHENSIVE ANNUAL FINANCIAL REPORT

As a component unit of the State of Louisiana, the financial statements of the Louisiana State Board of Architectural Examiners are included in Louisiana's Comprehensive Annual Financial Report. Following are the statements being submitted to the Division of Administration for reporting purposes. The amounts recorded have been subjected to the same auditing procedures as those recorded in the accompanying financial statements.

Louisiana State Board of Architectural Examiners
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2013

C O N T E N T S

Affidavits

Statements

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Statement of Activities (including Instructions for Simplified Statement of Activities)	C
Statement of Cash Flows	D
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S.	Violations of Finance-Related Legal or Contractual Provisions	16
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16	Schedule of Cooperative Endeavors (see Appendices Packet - Appendix F at http://www.doa.louisiana.gov/OSRAP/afrpackets.htm)

The Appendices Packet is located as a separate packet on OSRAP's website at <http://www.doa.louisiana.gov/OSRAP/afrpackets.htm>.

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ended June 30, 2013

Louisiana State Board of Architectural Examiners
9625 Fenway Avenue, Suite B
Baton rouge, LA 70809-1592

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

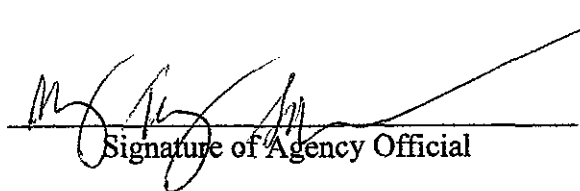
Legislative Auditor
P. O. Box 94397
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LLAFileroom@lla.la.gov

Physical Address:
1201 N. Third Street
Claiborne Building, Suite 6-130
Baton Rouge, Louisiana 70802

Physical Address:
1600 N. Third Street
Baton Rouge, Louisiana 70802

AFFIDAVIT

Personally came and appeared before the undersigned authority, Mary "Teeny" Simmons, Executive Director of Louisiana State Board of Architectural Examiners, who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of Louisiana State Board of Architectural Examiners at June 30, 2013 and the results of operations for the year then ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before me, this 16th day of October, 2013.


Signature of Agency Official


NOTARY PUBLIC

Yashica K Phelps

LABAR#29650 LIFE COMMISSION

Prepared by: MARY L. (TEENY) SIMMONS

Title: EXECUTIVE DIRECTOR

Telephone No.: 225-925-4802

Email address: bd@lsbae.brcoxmail.com

Date: 10/16/13

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)

STATEMENT OF NET POSITION

AS OF JUNE 30, 2013

ASSETS**CURRENT ASSETS**

Cash and Cash equivalents	\$	592,247
Restricted Cash and Cash Equivalents		
Investments		289,724
Derivative Instruments		
Receivables (net of allowance for doubtful accounts)(Note U)		
Due from other funds (Note Y)		
Due from federal government		
Inventories		
Prepayments		
Notes Receivable		
Other Current Assets		
Total current assets		881,971

NONCURRENT ASSETS

Restricted assets (Note F):

Cash		
Investments		
Receivables		
Investments		
Notes Receivable		
Capital assets, net of depreciation (Note D)		
Land non-depreciable easements		
Buildings and improvements		
Machinery and equipment		23,598
Infrastructure		
Intangible assets		
Construction/Development-in-progress		
Other noncurrent assets		
Total noncurrent assets		23,598

Total assets	\$	905,569
--------------	----	---------

DEFERRED OUTFLOWS OF RESOURCES

Accumulated decrease in fair value of hedging derivatives	\$	
Total assets and deferred outflow of resources	\$	905,569

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)

STATEMENT OF NET POSITION

AS OF JUNE 30, 2013

LIABILITIES**CURRENT LIABILITIES:**

Accounts payable and accruals (Note V)	\$	3,076
Derivative instrument		
Due to other funds (Note Y)		
Due to federal government		
Deferred revenues		
Amounts held in custody for others		
Other current liabilities		
Current portion of long-term liabilities: (Note K)		
Contracts payable		
Compensated absences payable		
Capital lease obligations		
Claims and litigation payable		
Notes payable		
Pollution remediation obligation		
Bonds payable (include unamortized costs)		
Other long-term liabilities		
Total current liabilities		3,076

NONCURRENT LIABILITIES

Contracts payable		
Compensated absences payable		15,589
Capital lease obligations		
Claims and litigation payable		
Notes payable		
Pollution remediation obligation		
Bonds payable (include unamortized costs)		
OPEB payable		90,688
Other long-term liabilities		
Total noncurrent liabilities		106,277
Total liabilities		109,353

DEFERRED INFLOWS OF RESOURCES

Accumulated increase in fair value of hedging derivatives	\$	
Deferred service concession arrangement receipts		
Total deferred inflows of resources		-

NET POSITION

Net investment in capital assets		
Restricted for:		
Capital projects		23,598
Debt service		
Unemployment compensation		
Other specific purposes		
Unrestricted		772,618
Total net position		796,216
Total liabilities, deferred inflows of resources, and net position	\$	905,569

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013

Statement B

OPERATING REVENUE

Sales of commodities and services	\$	
Assessments		
Use of money and property		
Licenses, permits, and fees		493,095
Federal grants and contracts		
State, local and nongovernmental grants and contracts		
Other		
Total operating revenues		493,095

OPERATING EXPENSES

Cost of sales and services		
Administrative		483,102
Depreciation		8,327
Amortization		
Total operating expenses		491,429

Operating income(loss)		1,666
------------------------	--	-------

NON-OPERATING REVENUES (EXPENSES)

State appropriations		
Intergovernmental revenues(expenses)		
Taxes		
Use of money and property		814
Gain on disposal of fixed assets		
Loss on disposal of fixed assets		
Federal grants		
Interest expense		
Other revenue		
Other expense		
Total non-operating revenues(expenses)		814

Income(loss) before contributions, extraordinary items, & transfers		2,480
---	--	-------

Capital contributions		
Extraordinary item		
Transfers in		
Transfers out		

Change in net assets		2,480
----------------------	--	-------

Total net assets – beginning		793,736
------------------------------	--	---------

Total net assets – ending	\$	796,216
---------------------------	----	---------

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

Statement C

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
			Capital Grants and Contributions	
Entity	\$ 491,429	\$ 493,095	\$	\$ 1,666
General revenues:				
Taxes				
State appropriations				
Grants and contributions not restricted to specific programs				
Interest				814
Miscellaneous				
Special items				
Extraordinary item				
Transfers				
Total general revenues, special items, and transfers				814
Change in net assets				2,480
Net position - beginning as restated				
Net position - ending				\$ 2,480

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013

Statement D
(continued)

Cash flows from operating activities

Cash receipts from customers	\$ 493,095	
Cash receipts from grants and contracts		
Cash receipts from interfund services provided		
Other operating cash receipts, if any		
Cash payments to suppliers for goods or services	(251,885)	
Cash payments to employees for services	(217,138)	
Cash payments for interfund services used, including payments "In Lieu of Taxes"		
Other operating cash payments, if any (* provide explanation)		
Net cash provided(used) by operating activities		<u>24,072</u>

Cash flows from non-capital financing activities

State Appropriations		
Federal receipts		
Federal disbursements		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Operating grants received		
Transfers in		
Transfers out		
Other (**provide explanation)		
Net cash provided(used) by non-capital financing activities		<u>-</u>

Cash flows from capital and related financing activities

Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Acquisition/construction of capital assets		
Proceeds from sale of capital assets		
Capital contributions		
Deposits with trustees		
Other (***) provide explanation)		
Net cash provided(used) by capital and related financing activities		<u>-</u>

Cash flows from investing activities

Purchases of investment securities		
Proceeds from sale of investment securities		
Interest and dividends earned on investment securities	502	
Net cash provided(used) by investing activities		<u>502</u>

Net increase(decrease) in cash and cash equivalents		<u>24,574</u>
Cash and cash equivalents at beginning of year		<u>567,673</u>
Cash and cash equivalents at end of year	\$	<u><u>592,247</u></u>

**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 20__**

**Statement D
(concluded)**

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)		\$ 1,666
Adjustments to reconcile operating income(loss) to net cash provided(used) by operating activities:		
Depreciation/amortization	8,327	
Provision for uncollectible accounts		
Other		
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable, net		
(Increase)decrease in due from other funds		
(Increase)decrease in prepayments		
(Increase)decrease in inventories		
(Increase)decrease in other assets		
Increase(decrease) in accounts payable and accruals	(1,738)	
Increase(decrease) in compensated absences payable	2,317	
Increase(decrease) in due to other funds		
Increase(decrease) in deferred revenues		
Increase(decrease) in OPEB payable	13,500	
Increase(decrease) in other liabilities		
Net cash provided(used) by operating activities		\$ 24,072

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease(s)	\$	
Contributions of fixed assets		
Purchases of equipment on account		
Asset trade-ins		
Other (specify)		
Total noncash investing, capital, and financing activities:	\$	-

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2013

INTRODUCTION

The Louisiana State Board of Architectural Examiners was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 37:142. The following is a brief description of the operations of Louisiana State Board of Architectural Examiners, and includes the parish/parishes in which the (BTA) is located:

The Board is composed of 7 members that are appointed by the Governor of the State of Louisiana and serve six-year terms. Five of the members must be licensed architects that have practiced architecture for at least 7 years. One of the members must be an architect employed for at least seven years prior to his/her appointment in architectural education or as an administrator of building design, construction or design standards for government at the local, state or national level. The remaining board member is one that is not actively engaged in or retired from the professions of architecture, engineering, interior design, landscape architecture or the design/construction of buildings. Board members, as authorized by Louisiana Administrative Code 46:317(C), may receive a per diem of \$138 per day in addition to actual expense reimbursement to attend meetings or conduct board-approved business

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of Louisiana State Board of Architectural Examiners present information only as to the transactions of the programs of the Louisiana State Board of Architectural Examiners as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Louisiana State Board of Architectural Examiners are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2013

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the Louisiana State Board of Architectural Examiners are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Committee on the Budget, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation plus subsequent amendments as follows:

	<u>APPROPRIATIONS</u>
Original approved budget	\$ <u>599,651</u>
Amendments:	<u>-</u> <u> </u> <u> </u> <u> </u>
Final approved budget	\$ <u><u>599,651</u></u>

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.) See Appendices Packet - Appendix A at <http://www.doa.louisiana.gov/OSRAP/afrpackets.htm>, for information related to Note C.

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2013

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Louisiana State Board of Architectural Examiners may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks, and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the statement of cash flows and statement of net position presentation, all highly liquid investments (including negotiable CDs and restricted cash and cash equivalents) and deposits (including nonnegotiable CDs and restricted cash and cash equivalents) with a maturity of three months or less when purchased are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are required to be held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at June 30, 2013, consisted of the following:

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2013

	Cash	Nonnegotiable Certificates of Deposit	Other (Describe)	Total
Deposits per statement of net position (Reconciled bank balance)	\$ 592,247	\$	\$	\$ 592,247
Deposits in bank accounts per bank	\$	\$	\$	\$
Bank balances exposed to custodial credit risk:	\$	\$	\$	\$
a. Uninsured and uncollateralized				
b. Uninsured and collateralized with securities held by the pledging institution				
c. Uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the entity's				

NOTE: The "Deposits in bank accounts per bank" will not necessarily equal the "Deposits per statement of net position" due to outstanding items.

The following is a breakdown by banking institution, program, and amount of the "Deposits in bank accounts per bank" balances shown above:

<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
1. Hancock Bank		\$ 492,247
2. Regions Bank		100,000
3.		
4.		
Total		\$ 592,247

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the statement of net position to amounts reported in this note, list below any cash in treasury and petty cash that are included on the statement of net position.

Cash in state treasury	\$ 0
Petty cash	\$ 0

2. INVESTMENTS

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2013

The Louisiana State Board of Architectural Examiners) does/does not maintain investment accounts as authorized by 33:2955

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or held by the counterparty's trust department or agent, but not in the entity's name. Repurchase agreements are not subject to credit risk if the securities underlying the repurchase agreement are exempt from credit risk disclosure. Using the following table, list each type of investment disclosing the total carrying amounts and market values, and any amounts exposed to custodial credit risk.

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all investments by three categories of risk. GASB Statement 40 requires only the separate disclosure of investments that are considered to be exposed to custodial credit risk. Those investments exposed to custodial credit risk are reported by type in one of two separate columns depending upon whether they are held by a counterparty, or held by a counterparty's trust department or agent not in the entity's name. In addition, the total reported amount and fair value columns still must be reported for total investments regardless of exposure to custodial credit risk.

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)
Notes to the Financial Statement
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<u>Type of Investment</u>	<u>Investments Exposed to Custodial Credit Risk</u>		<u>All Investments Regardless of Custodial Credit Risk Exposure</u>	
	<u>Uninsured, *Unregistered, and Held by Counterparty</u>	<u>Uninsured, *Unregistered, and Held by Counterparty's Trust Dept. or Agent Not in Entity's Name</u>	<u>Reported Amount Per Statement of Net Position</u>	<u>Fair Value</u>
Negotiable CDs	\$	\$	\$ 289,724	\$ 289,724
Repurchase agreements				
U.S. Government Obligations **				
U.S. Agency Obligations***				
Common & preferred stock				
Mortgages (including CMOs & MBSs)				
Corporate bonds				
Mutual funds				
Real estate				
External Investment Pool (LAMP) ****				
External Investment Pool (Other)				
Other: (identify)				
Total investments	\$ -	\$ -	\$ 289,724	\$ 289,724

* Unregistered - not registered in the name of the government or entity

** These obligations generally are not exposed to custodial credit risk because they are backed by the full faith and credit of the U.S. government. (See Appendices Packet, Appendix A, at <http://www.doa.louisiana.gov/OSRAP/afrpackets.htm> for the definition of US Government Obligations)

*** These obligations may not be exposed to custodial credit risk (See Appendix A in the Appendices Packet for a discussion of FNMA & FHLMC)

**** LAMP investments should not be included in deposits AND should be identified separately in this table to ensure LAMP investments are not double-counted on the State level.

3. CREDIT RISK, INTEREST RATE RISK, CONCENTRATION OF CREDIT RISK, AND FOREIGN CURRENCY RISK DISCLOSURES

A. Credit Risk of Debt Investments

N/A

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2013

B. Interest Rate Risk of Debt Investments

N/A

C. Concentration of Credit Risk

N/A

D. Foreign Currency Risk

N/A

4. DERIVATIVES (GASB 53)

A. Investment Derivative Instruments

N/A

B. Hedging Derivative Instruments

N/A

C. Contingent Features

N/A

D. Synthetic Guaranteed Investment Contracts (SGICs)

N/A

5. POLICIES

N/A

6. OTHER DISCLOSURES REQUIRED FOR INVESTMENTS

N/A

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)
Notes to the Financial Statement
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D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the statement of net position of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity is charged as an expense against operations. Depreciation for financial reporting purposes is computed by the straight line method over the useful lives of the assets.

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2013

Schedule of Capital Assets (includes capital leases)

<u>Agency</u>	Balance 6/30/2012	Prior Period Adjustments	Restated Balance 6/30/2012	Additions	* Reclassifi- cation of CIP	** Retirements	Balance 6/30/2013
Capital assets not depreciated:							
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-depreciable land improvements							
Non-depreciable easements							
Capitalized collections							
Software - development in progress							
Construction in progress							
Total capital assets not depreciated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other capital assets:							
Depreciable land improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
** Accumulated depreciation							
Total land improvements	-	-	-	-	-	-	-
Buildings							
** Accumulated depreciation							
Total buildings	-	-	-	-	-	-	-
Machinery & equipment	48,195		48,195				48,195
** Accumulated depreciation	(16,270)		(16,270)			(8,327)	(24,597)
Total machinery & equipment	31,925	-	31,925	-	-	(8,327)	23,598
Infrastructure							
** Accumulated depreciation							
Total infrastructure	-	-	-	-	-	-	-
Software (internally generated & purchased)							
Other intangibles							
** Accumulated amortization - software							
** Accumulated amortization - other intangibles							
Total intangibles	-	-	-	-	-	-	-
Total other capital assets	\$ 31,925	\$ -	\$ 31,925	\$ -	\$ -	\$ (8,327)	\$ 23,598
Capital asset summary:							
Capital assets not depreciated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other capital assets, book value	48,195		48,195				48,195
Total cost of capital assets	48,195	-	48,195	-	-	-	48,195
Accumulated depreciation/amortization	(16,270)	-	(16,270)	-	-	(8,327)	(24,597)
Capital assets, net	\$ 31,925	\$ -	\$ 31,925	\$ -	\$ -	\$ (8,327)	\$ 23,598

* Should only be used for those completed projects coming out of construction-in-progress to capital assets.

** Enter a negative number except for accumulated depreciation in the retirement column

If other intangible assets were reported in the table above, list the types of intangible assets, their cost, and accumulated amortization for each type of intangible assets reported.

E. INVENTORIES

N/A

F. RESTRICTED ASSETS

N/A

G. LEAVE

1. COMPENSATED ABSENCES

The Louisiana State Board of Architectural Examiners has the following policy on annual and sick leave:

The Board's employees earn and accumulate annual and sick leave at varying rates depending on their years of full-time service and are credited at the end of each month of regular service. Accumulated leave is carried forward to succeeding years without limitation. Requests for leave must be made to and approved by the Director. Upon termination, employees are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations.

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at June 30, 2013 computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$ 0. The leave payable is recorded in the accompanying financial statements.

H. RETIREMENT SYSTEM

Substantially all of the employees of the (BTA) are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees. (Note: If LASERS is not your entity's retirement system, indicate the

retirement system that is and replace any wording in this note that doesn't apply to your retirement system with the applicable wording.)

All full-time (BTA) employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to begin participation in the DBP before July 1, 2006, are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006 have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability benefits and deferred benefit options, with qualifications and amounts defined by statute. Benefits are established or amended by state statute. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the System. For a full description of the LASERS defined benefit plan, please refer to the LASERS 2012 Financial Statements, specifically, footnotes A – Plan Description and C – Contributions. A copy of the report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0600 or (800) 256-3000. The footnotes to the Financial Statements contain additional details and are also available on-line at:

http://www.lasersonline.org/uploads/CAFR_2012.pdf

All members are required by state statute to contribute with the vast majority of employees of the state who became members before July 1, 2006 contributing 7.5% of gross salary. Act 75 of the 2005 Regular Session increases the member contribution rate from 7.5% to 8% for new members hired after June 30, 2006. The (BTA) is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2013, decreased / increased to 29.1% of annual covered payroll from the 23% and 22% required in fiscal years ended June 30, 2012 and 2011 respectively. The (BTA) contributions to the System for the years ending June 30, 2013, 2012, and 2011, were \$40,248, \$36,283, and \$31,283, respectively, equal to the required contributions for each year.

I. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

GASB Statement 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* addresses accounting and financial reporting for OPEB trust and agency funds of the employer. GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* establishes standards of accounting and financial reporting for OPEB expense/expenditures and related OPEB liabilities or OPEB assets, note disclosures, and required supplementary information (RSI) in the financial reports of governmental employers. See the GASB Statement 45 note disclosures requirements in section 2 of this note.

1. Calculation of Net OPEB Obligation

Complete the following table for only the net OPEB obligation (NOO) related to OPEB administered by the Office of Group Benefits. The ARC, NOO at the beginning of the year, interest, ARC adjustment, and Annual OPEB Expense have been computed for OGB participants (see OSRAP's website - <http://www.doa.louisiana.gov/OSRAP/afrpackets.htm>) and select "GASB 45 OPEB Valuation Report as of July 1, 2012, to be used for fiscal year ending June 30, 2013." Report note disclosures for other plans, not administrated by OGB, separately.

Annual OPEB expense and net OPEB Obligation

Fiscal year ending	6/30/2013
1. * ARC	\$13,300.0
2. * Interest on NOO	\$3,900.0
3. * ARC adjustment	(\$3,700.0)
4. * Annual OPEB Expense (1. + 2. - 3.)	\$13,500.0
5. Contributions (employer pmts. to OGB for retirees' cost of 2013 insurance premiums)	\$0.0
6. Increase in Net OPEB Obligation (4. - 5.)	\$13,500.0
7. *NOO, beginning of year (see actuarial valuation report on OSRAP's website)	77188
8. **NOO, end of year (6. + 7.)	\$90,688.0

*This must be obtained from the OSRAP website on the spreadsheet "GASB 45 OPEB Valuation Report as of July 1, 2012, to be used for fiscal year ending June 30, 2013."

**This should be the same amount as that shown on the statement of net position for the year ended June 30, 2013 if your entity's only OPEB is administered by OGB.

For more information on calculating the annual OPEB expense and the net OPEB obligation, see Appendices Packet – Appendix D at <http://www.doa.louisiana.gov/OSRAP/afrpackets.htm>.

2. Note Disclosures

If your only OPEB provider is OGB, your entity will have no OPEB note disclosures for OSRAP other than the OPEB calculation above; however, GASB Statement 45 note disclosures are required for separately issued GAAP financial statements. Please provide OSRAP with the applicable GASB Statements 43 and 45 note disclosures if your entity's OPEB group insurance plan is administered by an entity other than OGB. Following is a summary of the requirements of GASB Statement 45.

I. Plan Description

- a) Name of Plan
- b) Identify entity that administers the plan
- c) Type of plan
- d) Brief description of the types of benefits
- e) Authority under which benefit provisions are established or may be amended
- f) Whether the OPEB plan issues a stand-alone financial report or is included in the report of a PERS or another entity, and, if so how to obtain the report.

II. Funding Policy

- a) Authority under which the obligations of the plan members, employers, and other contributing entities (e.g., state contributions to local government plans) to contribute to the plan are established or may be amended.
- b) Required contribution rates of plan members (amount per member or percentage of covered payroll).
- c) Required contribution rates of the employer in accordance with the funding policy (in dollars or as percentage of current-year covered payroll) and, if applicable, legal or contractual maximum contribution rates: If the plan is a single-employer or agent plan and the rate differs

significantly from the ARC, disclose how the rate is determined (e.g., by statute or contract) or that the plan is financed on a pay-as-you-go basis. If the plan is a cost-sharing plan, disclose the required contributions in dollars and the percentage of that amount contributed for the current year and each of the two preceding years, and how the required contribution rate is determined (e.g., by statute or by contract, or on an actuarially determined basis) or that the plan is financed on a pay-as-you-go basis.

III. Additional disclosures for sole and agent employers for each plan:

- a) For current year (CY), annual OPEB cost and the dollar amount of contributions made. If the employer has a net OPEB obligation, also disclose the components of annual OPEB cost (ARC, interest on the net OPEB obligation, and the adjustment to the ARC), the increase or decrease in the net OPEB obligation, and the net OPEB obligation at the end of the year.
- b) For the current year and each of the two preceding years, disclose annual OPEB cost, percentage of annual OPEB cost contributed that year, and net OPEB obligation at the end of the year. (For the first two years, the required information should be presented for the transition year, and for the current and transition years, respectively.)
- c) Information about the funded status of the plan as of the most recent valuation date, including the actuarial valuation date, the actuarial value of assets, the actuarial accrued liability, the total unfunded actuarial liability (or funding excess), the actuarial value of assets as a percentage of the actuarial accrued liability (funded ratio), the annual covered payroll, and the ratio of the unfunded actuarial liability (or funding excess) to annual covered payroll. The information should be calculated in accordance with the parameters. However, employers that meet the criteria in GASB Statement 45, paragraph 11 may elect to use the alternative measurement method discussed in GASB Statement 45, paragraphs 33 through 35. Employers that use the aggregate actuarial cost method should prepare this information using the entry age actuarial cost method for that purpose only.
- d) Information about the actuarial methods and assumptions used in valuations on which reported information about the ARC, annual OPEB cost, and the funded status and funding progress of OPEB plans is based, including the following:
 - 1) Disclosure that actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and that actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.
 - 2) Disclosure that the required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.
 - 3) Disclosure that calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, if applicable, the employer should disclose that the projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations (as discussed in the disclosure of funding policy in paragraph II(c) above) on the pattern of cost sharing between the employer and plan members in the future.
 - 4) Disclosure that actuarial calculations reflect a long-term perspective. In addition, if applicable, disclosure that, consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

- 5) Identification of the actuarial methods and significant assumptions used to determine the ARC for the current year and the information required by paragraph III(c) above. The disclosures should include:
- (a) The actuarial cost method.
 - (b) The method(s) used to determine the actuarial value of assets.
 - (c) The assumptions with respect to the inflation rate, investment return (including the method used to determine a blended rate for a partially funded plan, if applicable), postretirement benefit increases if applicable, projected salary increases if relevant to determination of the level of benefits, and, for postemployment healthcare plans, the healthcare cost trend rate. If the economic assumptions contemplate different rates for successive years (year-based or select and ultimate rates), the rates that should be disclosed are the initial and ultimate rates.
 - (d) The amortization method (level dollar or level percentage of projected payroll) and the amortization period (equivalent single amortization period, for plans that use multiple periods) for the most recent actuarial valuation and whether the period is closed or open. Employers that use the aggregate actuarial cost method should disclose that because the method does not identify or separately amortize unfunded actuarial liabilities, information about funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose, and that the information presented is intended to approximate the funding progress of the plan.

IV. Required Supplementary Information:

Sole and agent employers should present the following information for the most recent actuarial valuation and the two preceding valuations:

- a. Information about the funding progress of the plan, including, for each valuation, each of the elements of information listed in paragraph III(c) above.
- b. Factors that significantly affect the identification of trends in the amounts reported, including, for example, changes in benefit provisions, the size or composition of the population covered by the plan, or the actuarial methods and assumptions used. (The amounts reported for prior years should not be restated.) The information should be calculated in accordance with the parameters and should be presented as RSI. Employers that use the aggregate actuarial cost method should prepare the information using the entry age actuarial cost method and should disclose that fact and that the purpose of this disclosure is to provide information that approximates the funding progress of the plan.

If the cost-sharing plan in which an employer participates does not issue and make publicly available a stand-alone plan financial report prepared in accordance with the requirements of Statement 43, and the plan is not included in the financial report of a PERS or another entity, the cost-sharing employer should present as RSI in its own financial report schedules of funding progress and employer contributions for the plan (and notes to these schedules), prepared in accordance with the requirements of Statement 43. The employer should disclose that the information presented relates to the cost-sharing plan as a whole, of which the employer is one participating employer, and should provide information helpful for understanding the scale of the information presented relative to the employer.

J. LEASES

NOTE: Where five-year amounts are requested, list the total amount (sum) for the five-year period, not the annual amount for each of the five years.)

1. OPERATING LEASES

The total payments for operating leases during fiscal year June 30, 2013 amounted to \$35,281. **(Note: If lease payments extend past FY 2028, create additional columns and report these future minimum lease payments in five year increments.)** A schedule of payments for operating leases follows:

Nature of lease	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019-2023</u>	<u>FY 2024-2028</u>
Office Space	\$ 35,281	\$	\$	\$	\$	\$	\$
Equipment							
Land							
Other							
Total	\$ 35,281	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2. CAPITAL LEASES

The Board does not have any Capital Leases.

3. LESSOR DIRECT FINANCING LEASES

N/A

4. LESSOR – OPERATING LEASE

N/A

K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2013:

	<u>Year ended June 30, 2013</u>			<u>Balance June 30, 2013</u>	<u>Amounts due within one year</u>
	<u>Balance June 30, 2012</u>	<u>Additions</u>	<u>Reductions</u>		
Notes and bonds payable:					
Notes payable	\$	\$	\$	\$ -	\$
Bonds payable				-	
Total notes and bonds	-	-	-	-	-
Other liabilities:					
Contracts payable				-	
Compensated absences payable	13,271	5,049	2,731	15,589	
Capital lease obligations				-	
Claims and litigation				-	
Pollution remediation obligation				-	
OPEB payable	77,188	13,500		90,688	
Other long-term liabilities				-	
Total other liabilities	90,459	18,549	2,731	106,277	-
Total long-term liabilities	\$ 90,459	\$ 18,549	\$ 2,731	\$ 106,277	\$ -

(Balances at June 30th should include current and non-current portion of L-T liabilities.)

(Send OSRAP a copy of the amortization schedule for any new debt issued.) The totals must equal the statement of net position for each type of long-term liabilities.

L. CONTINGENT LIABILITIES

N/A

M. RELATED PARTY TRANSACTIONS

N/A

N. ACCOUNTING CHANGES

N/A

O. IN-KIND CONTRIBUTIONS

N/A

P. DEFEASED ISSUES

N/A

Q. REVENUES – PLEDGED OR SOLD (GASB 48)

N/A

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)

N/A

S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS

N/A

T. SHORT-TERM DEBT

N/

U. DISAGGREGATION OF RECEIVABLE BALANCES

N/A

V. DISAGGREGATION OF PAYABLE BALANCES

N/A

W. SUBSEQUENT EVENTS

N/A

X. SEGMENT INFORMATION & REPORTING FUNDS OF A BLENDED COMPONENT UNIT

N/A

Y. DUE TO/DUE FROM AND TRANSFERS

N/A

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

N/A

AA. PRIOR-YEAR RESTATEMENT OF NET POSITION

N/A

BB. ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB 46)

N/A

CC. IMPAIRMENT OF CAPITAL ASSETS & INSURANCE RECOVERIES

N/A

DD. EMPLOYEE TERMINATION BENEFITS

N/A

EE. POLLUTION REMEDIATION OBLIGATIONS

N/A

FF. AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

N/A

GG. RESTRICTED ASSETS – OTHER SPECIFIC PURPOSES

N/A

HH. SERVICE CONCESSION ARRANGEMENTS

N/A

JUNE 30, 2013

Total

\$

15,050

SCHEDULE 1

STATE OF LOUISIANA

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS

COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$5 million, explain the reason for the change. **Please provide adequate details to clearly explain the change from last year.**

	<u>2013</u>	<u>2012</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	\$ 493,095	\$ 486,675	\$ 6,420 - \$	
Expenses	491,429	479,316	12,113 -	
2) Capital assets	23,598	31,925	8,327 -	
Long-term debt	0	0	0 -	
Net position	2,480	10,620	(8,140)	
Explanation for change:				